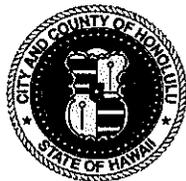


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**DEPARTMENT OF BUDGET AND FISCAL SERVICES
NOTICE & REQUEST FOR SOLE SOURCE**

14 JUN 25 P 1:05

TO: Chief Procurement Officer
FROM: Department of Community Services, Community Based Development Division
Department/Division/Agency

Pursuant to HRS §103D-306 and HAR Chapter 3-122, Subchapter 9, the Department requests sole source approval to purchase the following:

1. Description of goods, services, or construction to be procured:
Pauahi Hale Enrichment Services

The contractor will assume management responsibilities for Pauahi Hale, a rental housing complex located at 126 North Pauahi Street, Chinatown, Oahu. Pauahi Hale has 77 single room occupancy rental units, with common bathroom and kitchen facilities for tenants. Management activities will include, but not be limited to, the collection of rents and fees from tenants, maintenance of tenant deposit accounts, provision of required on-site staffing, operation, maintenance, and repair of the property, selection of tenants, maintenance of all project records, including, but not limited to, project accounting records, personnel records, and tenant records, development and enforcement of house rules, and other related activities.

In addition to these basic property management services, the Contractor proposes to utilize Pauahi Hale to provide the following enhanced services:

1. Safe Haven. The Contractor will relocate the Safe Haven program from its present location at 41 South Beretania Street, to Pauahi Hale. A Safe Haven is a facility which provides outreach, housing and supportive services specifically to homeless persons with mental illness. The contractor will make available 25 Safe Haven beds at Pauahi Hale.
2. Pauahi Hale Residential Services. Project-based permanent supportive housing for up to 42 households. The Contractor will also provide educational groups and other supportive services to residents of Pauahi Hale.
3. Chinatown Community Services - In cooperation with the River of Life Mission and the Institute for Human Services the contractor will offer services to unsheltered chronically homeless persons. The Contractor will outreach to unsheltered adults on Pauahi and River Streets and surrounding areas and will coordinate with the River of Life to provide immediate relief of homeless persons congregating in the area. The Contractor will also provide within Pauahi Hale a hygiene center that will provide showers, bathroom and laundry facilities, as well as telephone access, mail delivery, and assessment and referral services to the homeless. The Contractor will utilize ground floor units at Pauahi Hale for the Hygiene Center.

2. Vendor/Contractor/Service Provider Name:
Mental Health Kokua

3. Amount of Request:
\$ Management fees will be 10% of rental revenue.

4. Term of Contract: (Shall not exceed 12 months), if applicable

5. Prior Sole Source Ref No.

From: 08/01/14

To: 07/31/15

6. The good, service, or construction has the following unique features, characteristics, or capabilities:

The Safe Haven program operated by the Contractor is the only Safe Haven program in the City and County of Honolulu that is recognized by the US Department of Housing and Urban Development (HUD). As a recognized Safe Haven, the Contractor's Safe Haven program is the only program in the City and County of Honolulu that is eligible to receive Safe Haven funding through HUD. This dedicated source of funding enables the Contractor to provide housing and services to homeless persons with mental illness, a group who because of their disabilities are particularly vulnerable and challenging to engage and enroll into treatment and housing.

The Chinatown Community Services component will be the first of its kind program to be housed in a City-owned rental housing project. Pauahi Hale is located at the epicenter of a highly visible concentration of unsheltered homeless persons. Pauahi Hale is also located across from the River of Life Mission, a provider of meals to the homeless and a location where the homeless congregate to receive meals and other support on a daily basis. These location attributes, being located in the midst of a concentration of homeless persons and near a location where the homeless are known to congregate for meals, makes Pauahi Hale a uniquely advantageous location to establish this project component.

The Pauahi Hale Residential Services component will be the first of its kind program to deliver support services to residents of a City -owned housing project. As a single room occupancy project, Pauahi Hale serves the housing needs of low and very low income households. While low and very low income households frequently receive support services and public benefits, most of the services are delivered off site. The Contractor's proposal to provide on-site services will make the delivery of services to project residents more efficient. These support services will address the needs of project residents, and help resident achieve an enhanced level of residential stability.

7. How the unique features, characteristics, or capabilities of the goods, service or construction are essential for the agency?

The Department of Community Services oversees and manages programs related to affordable housing, homeless assistance, and community development in the City and County of Honolulu. The Department views the Safe Haven program as an essential element of our community's response to homelessness. The Safe Haven program serves the needs of mentally ill homeless persons by providing outreach services in the downtown/Chinatown area, as well as housing and support services to the homeless mentally ill. As a federally-designated safe haven, the Contractor's Safe Haven program is the only program eligible to receive Safe Haven funding through HUD's Continuum of Care program. Unfortunately, the Contractor's Safe Haven program has been told to vacate its existing site at 41 South Beretania Street, and after an extended search Pauahi Hale was determined to be the best available relocation site for this much needed program. Absent a relocation site the future of Safe Haven is uncertain, and our community risks losing the Safe Haven funding that is currently provided to the program. As such the relocation of Safe Haven to Pauahi Hale is essential to continue the provision of services and housing to homeless persons with mental illness. The Contractor will transition Safe Haven clients to Pauahi Hale only as vacancies occur. The Contractor will not displace any existing Pauahi Hale residents to accommodate Safe Haven residents.

The City and County of Honolulu has invested in the development of new housing and commercial projects in Chinatown, as well as the development of public improvements such as new sidewalks, parking bays, and landscaping. Unfortunately, the area roughly bounded by Beretania, River, Hotel, and Pauahi Streets has become the site of large concentration of unsheltered homeless individuals. The City has received numerous complaints from area residents and businesses about homeless persons congregating in this and adjacent areas. The Chinatown Community Services component is intended to outreach and engage homeless persons to encourage them to get off the streets and into housing and treatment. This project component will also provide bathroom and shower facilities to the homeless to address public complaints of homeless persons urinating and defecating in public and creating unsanitary conditions in the neighborhood. The establishment of the Chinatown Community Services component will help the Department in its efforts to address homelessness in the downtown/Chinatown area, and address a critical public health issue.

The Pauahi Hale Residential Services component will further the Department's efforts to provide affordable housing, particularly to persons of low and moderate income. Lower income residents of Pauahi Hale will benefit from the support services provided by the contractor which will help residents achieve an enhanced level of residential stability. The proposal by the Contractor to provide such services is unique when compared with current City property management services which do not require or even contemplate the provision of such services.

8. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services, or construction.

The Contractor's proposal was not solicited by the Department. Upon receipt and review of the proposal the Department determined that the proposal represented a unique opportunity to address multiple community issues that were of interest to the Department. The Contractor is the only entity that operates a federally recognized Safe Haven program in the City and County of Honolulu, as such the Department determined that the Contractor is the only entity available who can provide the services of a Safe Haven that are needed by homeless persons with mental illness. There are other nonprofit agencies that can provide services comparable to Chinatown Community Services and Pauahi Hale Residential Services components of the proposed project; however none of these agencies can provide the Safe Haven services provided by the Contractor.

9. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the agency needs.

The Department prepares and submits an annual funding application to HUD for the Continuum of Care programs. As the preparer of the application the Department is aware that the Contractor is the only entity eligible to apply for and receive Safe Haven funding from HUD. As such the Department determined that there are no other agencies who can receive the funding to support the delivery of Safe Haven program services other than the Contractor.

10. Person that will be responsible for managing this procurement:

Department/Division: Community Services/Community Based Development Division

Contact Name/Title: Keith Ishida, Administrator

Phone Number:

768-7750

E-mail Address:

kishida@honolulu.gov

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR Chapter 3-122, Subchapter 15, Cost or Pricing Data if required.

I certify that to the best of my knowledge, that the information provided above is true, correct, that there is no conflict of interest related to this procurement, and that the goods, services, or construction are available through only one source.



Department Head

June 23, 2014

Date

Date Notice Posted: _____

Submit written objections to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from the above posted date to:

Chief Procurement Officer
 Department of Budget and Fiscal Services
 530 South King Street, Room 115
 Honolulu, Hawaii 96813
bfspurchasing@honolulu.gov

Chief Procurement Officer's comments:

APPROVED DISAPPROVED NO ACTION REQUIRED

_____ Chief Procurement Officer

_____ Date